

Message Text

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PAGE 01 STATE 162316
ORIGIN EB-08

INFO OCT-01 EUR-12 ISO-00 CAB-05 CIAE-00 COME-00
DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00 L-03 NSC-05
SS-15 /059 R

DRAFTED BY EB/OA/AVP:GGGRIFFITHS:JH
APPROVED BY EB/OA:MHSTYLES
EUR/WE:AHUGHES (SUBSTANCE)
-----048034 262355Z /70

P 262145Z JUN 78
FM SECSTATE WASHDC
TO AMEMBASSY MADRID PRIORITY

UNCLAS STATE 162316

E.O. 11652:N/A

TAGS: EAIR, SP

SUBJECT: PAN AM STANDBY FARES, MIAMI-MADRID

1. PAN AM HAS PASSED TO DEPT. COPY OF JUNE 16 LETTER FROM
DIRECTOR GENERAL OF AIR TRANSPORT. PAN AM TRANSLATION OF
LETTER FOLLOWS: QUOTE IN REPLY TO YOUR LETTER OF MAY 29
WITH REFERENCE TO THE APPLICATION OF STANDBY FARES BETWEEN
MIAMI AND MADRID AS FROM JUNE 18 WE WISH TO ADVISE YOU THAT
THIS DIRECTORATE GENERAL CONSIDERS OF UTMOST IMPORTANCE THE
PROBLEM OF THE NORTH ATLANTIC THEREFORE YOUR REQUEST HAS
BEEN ANALYZED WITH MAXIMUM INTEREST AND WE HAVE ARRIVED AT
THE FOLLOWING CONCLUSION;

A) THE STANDBY FARE WAS CREATED TO COMPETE WITH OTHER TYPES
OF AIR TRANSPORT IN THE NEW YORK SECTOR AND IT IS NOT
APPROPRIATE FOR A MARKET SUCH AS MIAMI-MADRID WITH TOTALLY
DIFFERENT CHARACTERISTICS;

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PAGE 02 STATE 162316

B) IF CIRCUMSTANCES SHOULD BRING UP A SIMILAR SITUATION AND
THE STANDBY EXPERIMENT SHOULD PROVE TO HAVE BEEN AN
EFFECTIVE AND WELL CHOSEN MEASURE, ITS APPLICATION IN THIS
SECTOR COULD BE CONSIDERED.

C) THE CONDITIONS ARE MUCH MORE LIBERAL THAN THOSE OF
THE APEX FARE AND THEIR TARIFF LEVELS ARE THE SAME IN BOTH

CASES.

D) ITS APPLICATION COULD CREATE COMPLICATIONS, ADDITIONAL EXPENSES AND CONFUSION THAT ARE NEITHER DESIRED NOR NECESSARY IN THIS AREA.

E) THE PROFITABILITY OF THIS TYPE OF FARE WOULD BE NEGATIVE AS THERE MAY BE DIVERSIONS FROM OTHER ESTABLISHED FARES, MOREOVER, IT COULD CAUSE PROBLEMS IN ADJACENT AREAS AND ZONES.

BASED ON THE ABOVE THIS DIRECTORATE GENERAL CANNOT AUTHORIZE YOUR REQUEST THEREFORE THE PROPOSED STANDBY FARES CANNOT BE APPLIED TO THE SECTOR MIAMI-MADRID.

WITH REFERENCE TO NON AFFINITY GROUP FARES FOR 20 PASSENGERS THIS DIRECTORATE GENERAL CONSIDERS THAT, HAVEING THE APEX FARES AT THE SAME LEVELS AND CONDITIONS AND WITHOUT THE LIMITATION OF FORMING A GROUP, NO ADDITIONAL ADVANTAGE CAN BE GAINED AND CONTRIBUTES TO COMPLICATE TO A GREATER DEGREE THE ACTUAL TARIFF STRUCTURE. HOWEVER, IF YOU CONSIDER IT NECESSARY, THIS FARE CAN BE APPLIED BETWEEN MIAMI-MADRID UNDER THE SAME TERMS AND CONDITIONS AS AUTHORIZED IN OUR LETTER OF DECEMBER 22, 1977. LETTER SIGNED DIEGO YNIGUEZ SANCHEZ-ARJONA, DIRECTORATE GENERAL.
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PAGE 03 STATE 162316

2. DEPARTMENT ATTEMPTING ASCERTAIN FACTUAL RECORD THIS MATTER. WE HAVE RECEIVED NO NOTICE OF DISSATISFACTION THIS FILING FROM SPANISH EMBASSY HERE. HAS EMBASSY MADRID RECEIVED NOTICE FROM GOS? VANCE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AIRLINES, AIR FARES, AIR ROUTES
Control Number: n/a
Copy: SINGLE
Draft Date: 26 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: GGGRIFFITHS:JH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Format: TEL
From: STATE
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Legacy Key: link1978/newtext/t19780619/aaaaaqhu.tel
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Litigation Codes:
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Original Previous Classification: n/a
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TAGS: EAIR, SP, US, PANAM
To: MADRID
Type: TE
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